



UGI Utilities, Inc.
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March 19, 2008

US EPA Natural Gas STAR Program
MC 6207J
1200 Pennsylvania Ave., NW
Washington, DC 20460

Re: 2007 Annual Report

Dear Sir/Madam:

Enclosed is the Distribution Sector 2007 Annual Gas STAR report for UGI Utilities, Inc.

Please contact me at 610-796-3532 if you have any questions.

Sincerely,

J.C. Rondeau

☒ Access 3/19/08
☒ iSTAR 4/1/08
☒ QA/QC 6/9/08
DF

Company Information**Annual Report
2007****Distribution
Sector**Company Name: UGI Utilities, Inc.Gas STAR Contact: J C. RondeauTitle: Division Engineer – Environmental ComplianceAddress: P.O. Box 12677City, State, Zip Code: Reading, PA 19612-2677Telephone: 610-796-3532Fax: 610-796-3402E-mail: jrondeau@ugi.com**Annual Report Summary**

- ☒ BMP 1: Directed inspection and maintenance at gate stations and surface facilities
- ☒ BMP 2: Identify and rehabilitate leaky distribution pipes
- ☐ Partner Reported Opportunities *(please specify):*

Period covered by report: From: 10/01/06 To: 09/30/07Signature: Date: 3/19/08

■ Because the implementation of some technologies reduces emissions for multiple years, Gas STAR allows certain activities to count towards a company's emission reductions beyond the initial year of implementation. Gas STAR designates the maximum length of time that these reductions may accrue as "sunset dates." The Appendix lists these sunset dates. Companies can report the corresponding methane emission reductions each year up to the allowable sunset date. Or, companies may wish to report reductions only once for the implementation year, and have EPA automatically apply the sunset date and count those emissions for the allowable number of years.

■ In addition to reporting methane emissions reductions, you are welcome to include other information about your company's participation in Natural Gas STAR in the "Additional Program Accomplishments" section of this form. The Natural Gas STAR Program will use any information entered in this section to recognize the efforts and accomplishments of outstanding partners.



Distribution Sector Annual Report

OMB Control No. 2060-0328
Approval Expires 3/31/2008

BMP 1: Directed inspection and maintenance at gate stations and surface facilities

Current Year Activities

A. Facility/location Identifier information:

(Note: Please use a separate page for each facility surveyed) UGI Utilities, Inc.

B. Leak summary:

Number of surveys conducted at this facility for reporting period 152 surveys Total number of leaks repaired: 5 leaks repaired

Total number of leaks found: 28 leaks found

C. Cost summary:

Total cost of surveys conducted: \$ 4909 Total cost of leak repairs: \$ 79

D. Methane emissions reduction: 19.5 Mcf

* BMP 1 must be reported on an annual basis according to actual survey activity.

Please identify the basis for the emissions reduction estimate, using the space provided to show any calculations

☐ Actual field measurement

☒ Other (please specify): average 3.9 mcf/yr prior years' default

☐ Calculation using default*

Methane emissions reduction = Average annual leak rate for facility (1,700 Mcf) x Reduction efficiency (70%)

* Important note: The default value is to be used only for aboveground, high-pressure (>300 psig) inlet facilities at which the guidelines outlined in EPA's Lessons Learned: Directed Inspection and Maintenance at Gate Stations and Surface Facilities have been applied. In addition, partners should only report reductions once per year per facility and should verify that the default value is used only at facilities where leak repairs were performed.

For assistance quantifying the methane emission reductions achieved by BMP 1, please refer to the Gas STAR Emission Reduction Quantification Reference Guide, available on the Gas STAR Web site at: epa.gov/gasstar/docs/quantifying_ngs_methane_reductions.xls.

E. Total value of gas saved: \$ 136.5

Total value of gas saved = Methane emissions reduction (in Mcf) x Gas value (in \$/Mcf) [If not known, use default of \$7.00/Mcf]

F. Do you plan to survey this facility/location next year?

Yes (Yes/No)

Previous Years' Activities

Use the table below to report any past activities implemented, but not previously reported to the Natural Gas STAR Program

Year	Total Cost of Surveys (\$)	Total Cost of Repairs (\$)	Estimated Reductions (Mcf/yr)	Value of Gas Saved (\$)

BMP 1 Comments: Please use the back of the page for additional space if needed.



Distribution Sector Annual Report

OMB Control No. 2060-0328
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BMP 2: Identify and rehabilitate leaky distribution pipes

Current Year Activities

A. Facility/location identifier information: UGI Utilities, Inc.

B. Replacement summary:

Miles of distribution pipe replaced: 24.73 miles
Total cost of pipe replacement: 5032100

C. Leak summary:

Total number of leaks repaired
(excluding pipe replacement): 1297 leaks repaired
Total cost of leak repairs: 3116691

D. Methane emissions reduction: 3,560.42 Mcf * BMP 2 must be reported on an annual basis.

Please identify the basis for the emissions reduction estimate, using the space provided to show any calculations

☐ Actual field measurement

☒ Calculation using default (Miles replaced x Leak rate conversion factor (Mcf/mi) = Methane emissions reduction)

Type of Pipe Replaced	Main Replacement			Services Replacement		
	Miles Replaced	Leak Rate Conversion (Mcf/mi)	Emissions Reduction	Miles Replaced	Leak Rate Conversion (Mcf/mi)	Emissions Reduction
Cast Iron	8.36 miles	239	1998 Mcf			
Protected Steel	0.14 miles	3	0.42 Mcf		0.2	
Unprotected Steel	13.9 miles	110	1529 Mcf	2.90 miles	1.7	4.93 Mcf
Plastic	2.33 miles	12	28 Mcf	3.38 miles	0.1	0.34 Mcf
Copper					0.3	
Not Available (Average)		29		0.62 miles	0.3	0.03 Mcf
Totals:	24.73 miles		3555.42 Mcf	6.90 miles		5.30 Mcf

☐ Other (please specify):

For assistance quantifying the methane emission reductions achieved by BMP 2, please refer to the Gas STAR Emission Reduction Quantification Reference Guide, available on the Gas STAR Web site at: epa.gov/gasstar/docs/quantifying_ngs_methane_reductions.xls.

E. Total value of gas saved: \$ 24925
Total value of gas saved = Methane emissions reduction (in Mcf) x
Gas value (in \$/Mcf) [If not known, use default of \$7.00/Mcf]

F. How many miles of pipe do
you plan to replace next
year? 20 miles

Previous Years' Activities

Use the table below to report any past activities implemented, but not previously reported to the Natural Gas STAR Program

Year	# Miles of Pipe Replaced	Total Cost of Replacements (\$)	# of Leaks Repaired	Total Cost of Repairs (\$)	Estimated Reductions (Mcf/yr)	Value of Gas Saved (\$)

BMP 2 Comments: Please use the back of the page for additional space if needed.